

S A M P L E
(Letterhead)

Date

**State of Texas
Secretary of State
P. O. Box 12887
Austin, Texas 78711**

IRREVOCABLE LETTER OF CREDIT #_____

Dear Sirs:

We hereby establish our Irrevocable Letter of Credit in favor of the State of Texas for the account of _____ located at

(location of health spa)_____.

This Letter of Credit is effective up to the aggregate amount of \$20,000.

This Letter of Credit shall remain in effect until the account of _____ is released or discharged by the Secretary of State of Texas or until the expiration date of _____. This is your authority to draw drafts for any amount, or for the full amount not to exceed \$20,000.

This Letter of Credit is given as security for the benefit of any member who suffers a financial loss due to the insolvency or cessation of operation of the health spa referenced herein. For the purpose of this Letter of Credit, "Financial Loss" shall be determined under the Health Spa Act, Texas Occupations Code, Chapter 702.

Except so far as otherwise expressly stated herein, this Letter of Credit is subject to the "Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500."

We hereby agree with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to us on or before the above stated expiration date.

(over)

**SAMPLE of
Irrevocable Letter of Credit
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All drafts to be marked "Drawn under Letter of Credit No. _____.

(Signature of First Bank Official)

(type name)

(Signature of Second Bank Official)

(type name)

(or) instead of a Second Signature, a notarial certificate will
be required. EXAMPLE BELOW

_____ is insured by _____
(Name of Institution) (FSLIC or FDIC)

===== NOTARIAL CERTIFICATE

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me on _____
(date)

by _____ as _____
(name of representative) (title of representative)

of _____.
(name of entity)

SEAL

Notary Public Signature

Notary Public Print or Type Name